

**MONTANA PUBLIC SERVICE COMMISSION
UTILITY DIVISION
AGENDA NO. 05-02-22**

Date Published: February 17, 2005
For Work Week Commencing: February 21, 2005
Commission Meeting: February 22, 2005, 9:00 a.m.

General Introduction This agenda is the Commission's Utility Division agenda for the work week designated. In the later part of each week (generally, Thursday by 2:00 p.m.) prior to the work week to which an agenda pertains, the agenda is posted on the public information bulletin board at the Commission offices, deposited in the mail directed to all persons who have properly requested notice by mail, emailed to all persons who have properly requested notice by email, and posted to the Public Service Commission's worldwide web site located at <http://www.psc.state.mt.us>.

Place of Meetings All meetings are held at the Commission offices, 1701 Prospect Avenue, Helena, Montana, unless otherwise noted.

Inquiries General inquiries concerning this Utility Division agenda and subscribing to notice by mail may be made to Kate Whitney at (406) 444-3056. She may refer inquiries to another person within the agency.

Accommodation for Persons with Disabilities Anyone needing an accommodation for physical, hearing, or sight impairment in order to attend a scheduled meeting should contact the Commission secretary at (406) 444-6199 sufficiently prior to the meeting to allow accommodations to be made.

9:00 a.m. Weekly Scheduling (Commission Conference Room)

9:30 a.m. Business (Bollinger Room)

Public Comments

Action Items All items identified below are for action at the Commission business meeting.

1. Qwest Services Corporation N2005.2.15 (Kim)

On February 7, 2005 Qwest filed for Commission approval a Master Service Agreement (MSA) between Qwest and The Kroger Company. This filing was submitted pursuant to *Section 2.18 - Volume and Term Discounts to Large Business Customers with a Multi-State Presence* of Qwest's Exchange and Network Services Tariffs.

2. Sprint Communications N2005.2.16 (Scott)

On February 8, 2005, Sprint filed a revision to their Price list. In this filing Sprint is requesting to introduce standardized text for the following: Message Telecommunications Services: SPRINT Service, The Most, The Most II, Sprint Worldwide and Sprint Worldwide II.

Work Sessions All items identified below are for Commission discussion or action on the day designated.

1. Qwest – Late filed annual reports – Get Commission direction. (2/22/05)
2. FERC RM04-7 – FERC rule-making regarding market-based rates of public utilities – Discuss FERC rule-making docket and provide direction to staff regarding participation in docket and reply comments. (2/22/05)
3. Legislative – Discuss bills and other matters related to 2005 legislative session. (2/22/05)
4. **2/23/05 9:30 a.m.** – Legislative – Discuss bills and other matters related to 2005 legislative session (Commission Conference Room). (2/23/05)

2/24/05 9:30 Commission Conference Room

5. D2003.2.23 – 3 Rivers Telephone Cooperative – Draft order on 3 Rivers Motion for Reconsideration – Discuss as necessary and get Commission decisions as necessary on the draft order on 3 Rivers' motion. (2/24/05)
6. D2003.8.105 - Mid-Rivers Cellular – Post-hearing memo on Mid-Rivers Cellular petition to be an ETC – Discuss issues and as necessary get Commission direction on drafting a final order. (2/24/05)
7. L-04.07.5-RUL – PSC – ETC rules – Post-hearing discussion and action on proposed rules. (2/24/05)
8. D2005.2.14 – NorthWestern Energy – Application of NorthWestern Energy for Advanced Approval of Certain Proposed Electricity Power Supply Purchase Agreements – Placeholder to discuss and rule on any petitions to intervene in docket with respect to NorthWestern Energy's application for advanced approval of a power purchase agreement between NorthWestern Energy and Judith Gap Energy, LLC. (2/24/05)

9. Legislative – Discuss bills and other matters related to 2005 legislative session. (2/24/05)

Other Meetings

2/22/05 3:00 p.m. – D2004.2.21 – Montana Attorney General – In the Matter of a Commission Investigation of Electricity Market Activity Affecting Retail Consumers during the Period 2000 through 2001 (Bollinger Room)

Weekly Scheduling – Will be held at 9:00 a.m. on the day of the Commission Meeting

Notice Items All items identified below are noticed for public participation purposes. Unless otherwise stated in the text of the notice, the items will be action items on the next following agenda or a subsequent agenda and participation may be had by submitting written comments to the Public Service Commission, 1701 Prospect Avenue, P.O. Box 202601, Helena, Montana, 59620-2601, within 5 calendar days following publication of this agenda. Public comments on a noticed matter may also be submitted within the required time through the PSC's web-based comment form at <http://psc.mt.gov/Consumers/comments>. Comments should reference the docket number of the matter.

1. Montana-Dakota Utilities Co. D2005.1.9 (Martin)

On January 20, 2005, MDU filed a proposed revision to MDU therm zone (areas where natural gas heat per volumetric unit is the same) boundaries to add new zone 41 (affecting one farm-tap customer) and to amend zone 24 and zone 211 to reflect new receipt points (affecting about 60 customers). MDU states that the change in heat value to the customers will be minimal.

2. Qwest Communications N2005.2.18 (Scott)

On February 14, 2005, Qwest filed Tariff Transmittal 05-01 Increase the default rate of payphone compensation. The purpose of this filing is to increase the default rate of payphone compensation in the Exchange and

Network Service Tariff, Section 6.2.1 and Section 7.1.3, and the Exchange and Network Service Price List, Section 7.1.3, to \$0.55 for “dial around” calls to be consistent with the FCC’s Report and Order on WC Docket No. 03-255 and FCC CC Docket No. 91-35.

3. Ronan Telephone Company N2005.2.19 (Scott)

On February 15, 2005, Ronan Telephone (RTC) filed changes to its Lifeline Tariffs. On April 29, 2004, the FCC released a Report and Order and Further Notice of Proposed Rulemaking, FCC 04-87, in the matter of Lifeline and Link-up. The proposed changes reflect the changes required by the FCC order. They have also been updated to reflect that the RTC service area is encompassed entirely on the Flathead Indian Reservation, in accordance with the FCC Order.

Protective Orders – Notice Items The Commission has received the following requests for protective order pursuant to ARM 38.2.5007. The Commission will rule on the requests no earlier than 10 days after the publication date of this agenda. Comments on the requests may be submitted at any time prior to ruling. Any person interested in seeking a copy of a protective order request should contact the Commission at 406-444-6199.

Protective Orders – Information Items The Commission has issued the following protective orders. These orders may be challenged pursuant to ARM 38.2.5008.

1. NorthWestern Energy D2005.2.14 (AI)

On February 9, 2005, NorthWestern Energy filed a Motion for Protective Order in Docket D2005.2.14, In the Matter of NorthWestern Energy’s Application for Advanced Approval of Certain Power Purchase Agreements. NorthWestern Energy is seeking a Protective Order for the following information:

Exhibit A to the Judith Gap I Wind Project Power Purchase Agreement entitled “Contract Rate and

Exhibits SEL-5, SEL-7, SEL-8 and SEL-9 to pre-filed testimony of Steven E. Lewis.

NorthWestern Energy represents that each of these items includes specific quantities, terms, prices and price structures related to individual proposals received by it and that SEL-5, SEL-8 and SEL-9 contain detailed information regarding the rating and evaluation methods used as part of its procurement process.

On February 9, 2005, NorthWestern Energy filed a Supplemental Request of Waiver of Notice Provisions with Respect to NorthWestern Energy's Motion for Protective Order.

On February 15, 2005, at a noticed work session, the Commission granted NorthWestern Energy's Motion.

Information Items All items identified below are for information only.

New Filings Received in Past Week

N2005.2.18 – Qwest Corporation – Tariff Transmittal 05-01 - Increase the Default Rate of Payphone Compensation

N2005.2.19 – Ronan Telephone Company – Changes to the Low Income Telephone Assistance Program Tariff

D2005.2.20 – Qwest Corporation – Tariff Transmittal 05-02 – Great Falls EAS (Extended Area Service)

D2004.8.131 – Energy West – Monthly Gas Cost Tracking Application for March 1, 2005